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MINUTES OF THE REGULAR COMMISSION MEETING OF THE MICHIGAN PUBLIC SERVICE COMMISSION HELD IN ITS OFFICES ON MAY 11, 2017

Commission Chairman Sally A. Talberg called the meeting to order at 1:32 p.m. Executive Secretary Kavita Kale called the roll and declared there was a quorum.

PRESENT

Commission: Sally A. Talberg, Chairman

Norman J. Saari, Commissioner Rachael A. Eubanks, Commissioner

Staff: Kavita Kale

Lisa Gold

Nick Assendelft Jill Rusnak Al Freeman Paul Proudfoot Patrick Hudson Dave Isakson Gloria Pearl Jones

Public: Donald G. Hazzard

James Brunell, DTE

Michelle Risen, Residential Customer Group

Joel King, Attorney General

Candace Gonzales, Consumers Energy

Karen Wienke, Consumers Energy Company Jessica Woycehoski, Consumers Energy

Jacob Kanclerz, MIRS

Sean Gallagher, Clark Hill PLC

Chairman Talberg Commented:

"I want to take a moment to acknowledge the life and distinguished career of State Representative John Kivela from Marquette who passed away earlier this week. Representative Kivela was a member of the House Energy Committee and was unwavering in his commitment to ensure a secure, sustainable energy future in the UP.

He tackled problems head on. My fellow commissioners and I appreciated the time he shared with us in Marquette at the UP Energy Conference just a few months ago. Let's take a moment of silence for Representative Kivela."

I. Commissioner Saari moved to approve today's amended agenda, Commissioner Eubanks seconded.

Vote: Yeas – Talberg, Saari, Eubanks Nays – None

The amended agenda was approved.

II. Commissioner Saari moved to approve the minutes of the Regular Commission Meeting of April 28, 2017, Commissioner Eubanks seconded.

Vote: Yeas – Talberg, Saari, Eubanks Nays – None

The minutes were approved.

III. ORDERS

A. COMMUNICATIONS

1. U-14412 CENTURYTEL FIBER COMPANY II, LLC, D/B/A LIGHTCORE, A CENTURYTEL COMPANY, AND VARIOUS SBC COMMUNICATIONS, INC. OWNED COMPANIES, INCLUDING SBC MICHIGAN (withdrawal)

Case No. U-14412 involves a request to withdraw an application for an interconnection agreement amendment. The order before you approves the request. Commissioner Saari moved that the Commission approve the order at its May 11, 2017 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks Nays – None

The order was adopted.

2. U-15174 CENTURYTEL ACQUISITION, LLC, d/b/a KMC TELECOM III, AND VARIOUS AT&T INC. OWNED COMPANIES, INCLUDING AT&T MICHIGAN (withdrawal)

Case No. U-15174 involves a request to withdraw an application for an interconnection agreement amendment. The order before you approves the request. Commissioner Saari moved that the Commission approve the order at its May 11, 2017 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks Nays – None

The order was adopted.

3. U-16561 AT&T MICHIGAN AND BARAGA TELEPHONE COMPANY (interconnection agreement and amendment)

Case No. U-16561 requests Commission approval of an interconnection agreement amendment. The order before you approves the request. Commissioner Saari moved that the Commission approve the order at its May 11, 2017 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks Nays – None

The order was adopted.

B. ELECTRIC

1. U-15801 COMMISSION'S OWN MOTION
U-18388 PRESQUE ISLE ELECTRIC & GAS CO-OP
U-18389 ONTONAGON COUNTY RURAL ELECTRIFICATION
ASSOCIATION
(AES filing instructions)

Case No. U-15801 et al. is a matter, on the Commission's own motion, to implement the provisions of Section 10a(1) of 2016 PA 341 regarding allocation of the amount of load to be served by an alternative electric supplier. The order before you assigns docket numbers to two electric distribution cooperatives that were inadvertently omitted from the April 28, 2017 order in this case and provides interested persons an opportunity to submit briefs pertaining to the interpretation and implementation of the final sentence of MCL 460.10a(1)(c), which requires the Commission to reduce the cap for any electric utility serving fewer than 200,000 customers in Michigan if the utility has not had any load served by an alternative electric supplier in the preceding four years. Commissioner Saari moved that the Commission approve the order at its May 11, 2017 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks Nays – None

The order was adopted.

2. U-15896 COMMISSION'S OWN MOTION (certificate of necessity)

Case No. U-15896 is a matter, on the Commission's own motion, to implement the provisions of Section 6s of 2016 PA 341 regarding the standard application filing forms and instructions for use in all requests for a certificate of necessity. The order before you approves the Filing Requirements and Instructions for Certificate of Public Convenience and Necessity Application Instructions, as amended. Commissioner Saari moved that the Commission approve the order at its May 11, 2017 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks Nays – None

The order was adopted.

3. U-18197 CONSUMERS ENERGY COMPANY (motion to compel)

Case No. U-18197 involves the Commission's annual investigation into the electric supply reliability plans of Michigan electric utilities. The order before you denies a motion to compel filed by Consumers Energy Company. Commissioner Saari moved that the Commission approve the order at its May 11, 2017 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks Nays – None

The order was adopted.

4.	U-18197	COMMISSION'S OWN MOTION
	ET AL.	(SRM technical conferences)
	U-18239	CONSUMERS ENERGY COMPANY
		(SRM implementation)
	U-18248	DTE ELECTRIC COMPANY
		(SRM implementation)
	U-18255	DTE ELECTRIC COMPANY
		(rate case)
	U-18322	CONSUMERS ENERGY COMPANY
		(rate case)

Case Nos. U-18197 *et al.*, involve technical conferences set up by the Commission's March 10, 2017 order in Case No. U-18239 *et al.*, to address the task of establishing the format for the capacity demonstration process to be applied during implementation of the state reliability mechanism provisions of Section 6w of 2016 PA 341, MCL 460.6w. The order before you provides clarifications regarding the scope and schedule of the technical conferences in Case No. U-18197, restricts consideration of certain issues in other dockets, and indicates that the Commission will

issue a final order by September 28, 2017. Commissioner Saari moved that the Commission approve the order at its May 11, 2017 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks Nays – None

The order was adopted.

5. U-18325 COMMISSION'S OWN MOTION (closes docket)

Case No. U-18325 involves a matter, on the Commission's own motion, to initiate rescission of Michigan Administrative Code rules R 460.2401 through R 460.2414. The order before you announces that the rules have been rescinded, and closes the docket. Commissioner Saari moved that the Commission approve the order at its May 11, 2017 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks Nays – None

The order was adopted.

6. U-18364 DETROIT THERMAL, LLC (steam sales agreement)

Case No. U-18364 involves an application by Detroit Thermal, LLC, for approval of a steam sales agreement. The order before you approves the application. Commissioner Saari moved that the Commission approve the order at its May 11, 2017 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks Nays – None

The order was adopted.

7. U-18369 COMMISSION'S OWN MOTION (demand response comments)

Case No. U-18369 is a matter, on the Commission's own motion, to initiate a proceeding to address demand response issues for regulated electric utilities. The order before you provides an opportunity for comments and directs the Commission Staff to establish a workgroup and file recommendations by August 31, 2017. Commissioner Saari moved that the Commission approve the order at its May 11, 2017 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks Nays – None

The order was adopted

8. U-18383 COMMISSION'S OWN MOTION

(implement the provisions of section 173 of 2016 pa 342)

Case No. U-18383 is a matter on the Commission's own motion, requesting comments on interim issues in the implementation of a distributed generation program under 2016 PA 342. Commissioner Saari moved that the Commission approve the order at its May 11, 2017 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks Nays – None

The order was adopted.

C. GAS

1. U-17941 DTE GAS COMPANY ('16-'17 GCR plan)

Case No. U-17941 involves a request by DTE Gas Company for approval of its gas cost recovery plan and factors for April 2016 through March 2017. The order before you approves the request, with modifications. Commissioner Saari moved that the Commission approve the order at its May 11, 2017 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks Nays – None

The order was adopted.

2. U-18154 MICHIGAN GAS UTILITIES CORPORATION ('17-'18 GCR plan)

Case No. U-18154 involves an application by Michigan Gas Utilities Corporation for approval of its gas cost recovery plan and factors for the 12-month period ending March 31, 2018. The order before you approves a settlement agreement resolving all issues in the case. Commissioner Saari moved that the Commission approve the order at its May 11, 2017 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks Nays – None The order was adopted.

3. U-18156 PRESQUE ISLE ELECTRIC & GAS CO-OP ('17-'18 GCR plan)

Case No. U-18156 involves an application by Presque Isle Electric & Gas Co-op to implement a gas cost recovery plan and factors for the 12-month period ending March 31, 2018, for its regulated gas division. The order before you approves a settlement agreement resolving all issues in the case. Commissioner Saari moved that the Commission approve the order at its May 11, 2017 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks Navs – None

The order was adopted.

Chairman Talberg Commented:

"Today we are taking a number of steps to continue progress on the implementation of the state's new energy laws. These laws went into effect April 20. In separate orders today, we approved filing requirements for Certificates of Need for new electric generation facilities, established a workgroup on regulatory approach to demand response, and requested comments on distributed generation programs.

We are also seeking comments from staff and stakeholders and scheduling technical conferences related to the process for energy providers to demonstrate the adequacy of their electric supplies in the future.

I want to recognize hard work and commitment of our staff and stakeholders. We have an aggressive schedule – in fact, we will have an unprecedented number of complex matters before the MPSC over the next year. As we continue to move forward, it is important to acknowledge these milestones along the way."

IV. PUBLIC COMMENTS

There were no public comments.

An audio recording of the proceedings of the May 11, 2017 meeting is archived in podcast format at: http://www.michigan.gov/documents/mpsc/mpsc-cm-5-11-2017 565102 7.mp3.

Chairman Talberg announced that the next regularly scheduled Commission Meeting will be held on May 31, 2017 at 1:30 p.m.

Commissioner Saari moved that the Commission adjourn, Commissioner Eubanks seconded.

Vote: Yeas – Talberg, Saari, Eubanks Nays – None

The motion was approved.

The meeting adjourned at 1:44 p.m.	
-	Kavita Kale
	Executive Secretary